

## **History of the County/State Partnership for Mental Health, Mental Retardation and Developmental Disability Services**

### **Selected Milestones**

**1994:** HF 2430 was the initial legislation.

- The “Base Year” (1994 Actual Expenditures for Mental Health and Developmental Disability Services)
- Defined what was included in the “State Payment” to counties.
- Established the “Single Entry Point Process” (CPC’s)
- Established the “County Management Plans”

**1995:** SF 69

- The “capped services fund” (a designated fund for Mental Health/Developmental Disabilities expenses.) & deleted supplemental levy authority for these expenses

**1996:** SF 2030 amended:

- “Base Year” to either the 1994 Actual Expenditures or 1996 Budgeted Expenditures

**1997:**

- Defined the “Allowed Growth” distribution formula
- Changed the State County Management growth recommendation timeframe
- Changed Voluntary Hospitalization Procedure to include the “Single Point of Entry” process

**1998:**

- Created the “Per Capita Expenditure Target Pool” and “Incentive and Efficiencies Pool” distribution formulas.
- Created the “Risk Pool”.

**1999:**

- Changed the “County Management Plan” from an annual plan to remain in effect unless amended, as of April 1, 2000.
- Instituted a three-year “Strategic Plan” to be submitted on April 1, 2000 and every third year thereafter, to the Department of Human Services for informational purposes only.
- Instituted an “Annual Review” to be submitted to the Department of Human Services for informational purposes only.

**2000:**

**2001:**

- Adult Rehabilitative Option Services for persons with chronic mental illness were approved for the Medicaid State Plan.
- Amended funding allocation for the “Per Capita Pool”.
- Enacted a funding protocol for involuntary hospitalizations that included the “single entry point process”
- Reduced the “Allowed Growth Allocation” for FY2002 by \$18 million and included the community services block grant in the allocation formula.

**2002:**

- Reduced the “Allowed Growth Allocation” (and others) by another 2.6%.

**2003:**

- Allowed Home and Community Based Services to be provided in Residential Care Facilities

**2004:**

- Instructed the Mental Health, Mental Retardation, Developmental Disabilities and Brain Injury Commission to start planning the implementation of the Adult System Redesign.

**2005:**

- Adult Day Services (Day Habilitation and Pre-Vocational) were started in the Home and Community Based Waiver Program.
- Implemented improved resolution process for legal settlement disputes.

**2006:**

- Moved the State Payment Program to the Counties for management.

## History of the County/State Partnership for Mental Health, Mental Retardation and Developmental Disability Services

1994: Initial legislation: **HF 2430**: An Act relating to the limitation on county expenditures for Mental Health, Mental Retardation and Developmental Disabilities Services funded by property taxes and the provision of those services, extending the limitation of the amount of property tax dollars that a county may collect from the designated property tax levies, providing effective and applicability date provisions.

- The State County Management Committee set up many workgroups, consisting of county representative, state representatives, individuals with disabilities and/or their family members and providers of Mental Health and Developmental Disabilities to develop the Mental Health/Developmental Disabilities system and what the partnership would encompass.
- Defined the “Base year expenditures to mean the actual expenditures made by a county for qualified mental health, mental retardation and developmental disabilities services provided in the fiscal year beginning July 1, 1993 and ending June 30, 1994.
- Defined “State payment” to mean the payment made by the state to a county determined to be eligible for the payment in accordance with section 331.429. Except as modified based upon the actual amount of the appropriation for purposes of state payment under section 331.439, the amount of the state payment for a fiscal year shall be calculated at fifty percent of the amount by which the county’s qualified expenditures during the immediately preceding fiscal year were in excess of the amount of the county’s base year expenditures.
- Created the State County Management Committee to make joint state and county planning, implementing, and funding of mental health, mental retardation, and developmental disabilities services, including but not limited to developing and implementing fiscal and accountability controls, establishing management plans, and ensuring eligible person have access to appropriate and cost-effective services.
- Created the “single entry point process” to mean a single entry point process established by a county or consortium of counties for the delivery of mental health, mental retardation and developmental disabilities services, which are paid for in whole or in part by county funds. The single entry point process may include but is not limited to reviewing a person’s eligibility for services, determining the appropriateness of the type, level, and duration of services, and performing periodic review of a person’s continuing eligibility and need for services. Any recommendations developed concerning a person’s plan of services shall be consistent with the person’s unique strengths, circumstances, priorities, concerns, abilities, and capabilities. For those services funded under the medical assistance program, the single entry point process shall be used to assure that the person is aware of the appropriate service options available.

1995: **SF69:** An act relating to tax provisions involving state income tax, certain county property tax and services associated with mental health and developmental disabilities services, the county property tax limitation, and property tax on industrial machinery, equipment and computers, providing appropriations, and providing effective and applicability dates.

- Created a “services fund” which means the county mental health, mental retardation, and developmental disabilities services fund. For the fiscal year beginning July 1, 1996, and succeeding fiscal years, county revenues from taxes and other sources designated for mental health, mental retardation, and developmental disabilities services shall be credited to the mental health, mental retardation, and developmental disabilities services fund of the county. The board shall make appropriations from the fund for payment of services provided under the county management plan approved pursuant to section 331.439.
- Created a cap for the “services fund”. For the fiscal year beginning July 1, 1996, and for each subsequent fiscal year, the county shall certify a levy for payment of services. Unless otherwise provided by state law, for each fiscal year, county revenues from taxes imposed by the county credited to the services fund shall not exceed an amount equal to the amount of base year expenditures for services in the fiscal year beginning July 1, 1993, and ending June 30, 1994, as defined in section 331.438 less the amount of property tax relief to be received pursuant to section 426B.2, subsections 1 and 3, in the fiscal year for which the budget is certified. The county auditor and the board of supervisors shall reduce the amount of the levy certified for the services fund by the amount of property tax relief to be received.
- Appropriations specifically authorized to be made from the mental health, mental retardation, and developmental disabilities services fund shall not be made from any other fund of the county.
- Defined the Criteria for a county to be eligible for the “state payment”
- Established the “Property Tax Relief Fund” and the allocations amounts to be in the “Property Tax Relief Fund”.
  - For the fiscal year beginning July 1, 1995, sixty-one million dollars.
  - For the fiscal year beginning July 1, 1996, seventy-eight million dollars.
  - For the fiscal year beginning July 1, 1997, and succeeding fiscal years, ninety-five million dollars.
- Established a distribution formula for the “Property Tax Relief Fund”.
  - One-third based upon the county's proportion of the state's general population.
  - One-third based upon the county's proportion of the state's total taxable property valuation assessed for taxes payable in the previous fiscal year.
  - One-third based upon the county's proportion of all counties' base year expenditures, as defined in section 331.438.

#### **EXAMPLE OF BASE YEAR EXPENDITURE AMOUNT AND PROPERTY TAX RELIEF PROVISION:**

Year	1995	1996	1997
County	Scott	Scott	Scott

Base year Net Expenditures	\$6,888,078	\$6,870,194	\$7,490,201
One-third population	\$999,504	\$1,311,850	\$1,624,738
One-third valuation	\$923,661	\$1,213,743	\$1,526,945
One-third expenditures	\$657,600	\$872,945	\$1,030,485
Total in Property Tax Relief	\$2,580,776	\$3,398,537	\$4,182,269
Property Tax Amount	\$4,307,312	\$3,471,657	\$3,308,032

**1996: SF 2030:** An act relating to State and County Mental Health and Developmental Disability funding and related provisions and including an appropriation, an effective date, and an applicability provision.

- Amended the “Base Year Expenditures” to mean the amount selected shall be equal to the amount of net expenditures made by the county for qualified mental health, mental retardation, and developmental disabilities services provided in either of the following fiscal years:
  - (1) The actual amount reported to the state on October 15, 1994, for the fiscal year beginning July 1, 1993.
  - (2) The net expenditure amount contained in the county’s final budget certified in accordance with chapter 24 for the fiscal year beginning July 1, 1995, and reported to the county finance committee.
- Established that a county shall be authorized an allowed growth factor adjustment as established by the general assembly for services paid from the county’s services fund.
- Established that the State County Management Committee would recommend a growth factor to the governor by November 15 for the succeeding fiscal year.

**1997: HF255:** An act relating to the allowed growth factor adjustment for county Mental Health, Mental Retardation, and Developmental Disabilities Services, making appropriations, and providing an effective date.

- Redefined “State Payment” to include property tax relief allocation plus the allowed growth allocation.
- Established an “Allowed Growth” formula.
- The statute establishing the allowed growth factor adjustment shall establish the adjustment for the fiscal year, which commences two years from the beginning date of the fiscal year in progress at the time the statute, is enacted.

**SF145:** An act relating to the county Mental Health, Mental Retardation and Developmental Disabilities Services Fund Levy by providing a procedure for a county to make revisions affecting the services fund levy and other levies.

- Corrective legislation allowing for a one-time change to the selective base year for two counties, which did not include expenditures for persons living in the county owned Residential Care Facility.

**HF702:**

- Established that persons with mental retardation shall use the ‘single point of entry’ process to enter the State Hospital Schools.
- Changes were made to allow ‘voluntary hospitalization’ to use the ‘single point of entry’ process.

1998: **HF2545:** An act relating to county mental health, mental retardation, and developmental disabilities service funding, allocating an appropriation, and providing effective dates.

- Dollars in the “services fund” cannot be redistributed to other funds.
- Amended the distribution formula for the “Allowable Growth Factor”
- The “Per Capita Fund” distribution formula was created.
- Created a distribution formula for the “Incentive and Efficiencies Fund”
- Created a “Risk Pool”, from which counties could apply for relief for ‘unexpected expenditures’.
- Crated a “Risk Pool Board” and described what officers would serve as members.

1999: **SF211:** An act relating to eligibility of certain persons with disabilities under the optional services coverage category of medical assistance. (Medicaid Eligibility for Persons with Disabilities; MEPD)

**HF664:** An act relating to mental health, mental retardation, and other developmental disabilities.

- Established that the County Management Plan would be approved by the director and shall remain in effect, unless amended. (Prior to this, the county management plan needed to be submitted to the Department of Human Services every year.)
- For informational purposes only the county shall submit an Annual Review of the county management plan every year due April 1.
- For informational purposes only the county shall submit a Strategic Action Plan April 1, 2000 and every third year thereafter.
- Allowed four and five bed residential care facilities to be eligible for Home and Community Based Waiver Services for Individuals with Mental Retardation.

**HF760:** An act relating to appropriations for the department of human services and including other provisions and appropriations involving human services and health care and providing effective dates.

- The department shall work with county representatives in aggressively taking the steps necessary to implement the rehabilitation option for services to persons with chronic mental illness under the medical assistance program through use of county funding as a match for the federal funding.

FY2000: **HF2327:** An act relating to county levy and expenditure authority involving the risk pool and county mental health, mental retardation, and developmental disabilities services fund by authorizing appropriations from the fund for capital assets used exclusively for purposes of the services fund, authorizing associated county general fund levies and expenditures, and including transition, effective, and applicability dates, and other related provisions.

FY2001: **HF655:** An act relating to the establishment of a system of oversight for adult day services.

- Adult Day Services provided in Residential Care Facilities could be funded through the Home and Community Based Waiver Services.

- The General Assembly provided that the Department of Human Services might add to the Medicaid State Plan the option for Adult Rehabilitative Services for individuals with Chronic Mental Illness to begin in January 2001. This allowed for Federal Medicaid dollars to be used for 2/3's of the cost of these services.

**HF727:** An act relating to mental health, mental retardation, and developmental disabilities service provisions, including county funding for such services expenditures and placements of persons with serious mental impairments and providing effective and retroactive applicability dates

- Amended the funding allocation formula for "Per Capita Expenditures Fund".
- Amended the funding eligibility for the "Risk Pool".
- Enacted a funding protocol for involuntary hospitalizations whose expenses are payable in whole or in part by a county placed under the care of an appropriate hospital or facility designated through the single entry point process on an inpatient or outpatient basis.

**SF267:** An act relating to state budgetary matters by providing for reductions and supplementation of appropriations made for the fiscal year beginning July 1, 2000, and transferring, crediting, and appropriating certain moneys, and providing an effective date.

- Reduced the "Allowable Growth" from \$20,982,446 to \$19,868,987
- Reduced the "Risk Pool" appropriation from \$2,000,000 to \$95,385

**HF732:** An act relating to state budgetary matters by providing for reductions and supplementation of appropriations made for the fiscal year beginning July 1, 2000, and transferring, crediting, and appropriating certain moneys, and providing an effective date.

- Reduced the "Allowable Growth Allocation" for FY2002 by 18 million and redefined the distribution formula.
- The department shall continue working with county representatives in aggressively implementing the rehabilitation option for services to persons with chronic mental illness under the medical assistance program, and county funding shall be used to provide the match for the federal funding, except for individuals with state case status, for whom state funding shall provide the match.

**2002: HF2416:** An act relating to mental health and developmental disability services requirements and providing an effective date.

- The county of legal settlement shall pay for one hundred percent of the nonfederal share of the cost of services provided to persons with chronic mental illness implemented under the adult rehabilitation option of the state medical assistance plan. The state shall pay for one hundred percent of the nonfederal share of the cost of such services provided to such persons without a county of legal settlement.

**HF2430:** An act providing for the Mental Health and Developmental Disabilities Commission to assume the duties of the State-County Management Committee and providing new rulemaking authority associated with those duties and including an applicability provision.

**SF2304:** An act relating to public funding and regulatory matters and making, reducing, and transferring appropriations for the fiscal year beginning July 1, 2001, and including an effective date.

- The appropriations made from the general fund of the state in section 2.12 to the general assembly for the fiscal year beginning July 1, 2001, and ending June 30, 2002, shall be reduced by 2.6 percent. (This cut the Growth Appropriation for FY2002 by 2.6% more.)

**2003: HF387:** An act relating to mental health and developmental disabilities by expanding an exemption to health care licensing requirements for certain residential programs that receive funding under a medical assistance home and community-based services waiver and approval from the department of human services, and revising membership requirements for the mental health and developmental disabilities commission, and providing an effective date.

- Allowed Residential Care Facilities for persons with disabilities to provide Home and Community Based Services for persons with Mental Retardation. (Allowing 2/3's of the cost to be funded by federal dollars.)

**HF529:** An act directing the mental health and developmental disabilities commission to make recommendations for redesigning the mental health and developmental disabilities services system for adults and providing an effective date.

- Directed the Mental Health/Development Disabilities Commission to address:
  - Standard Clinical and Financial Eligibility
  - Minimum set of core services
  - Funding follows the covered individual
  - The legal settlement process
  - Coordination of funding streams

**HF672:** An act relating to the regulation of adult day services, providing for penalties, and providing an effective date.

- Allowed adult day service provided by the Commission on Accreditation of Rehabilitation Facilities (CARF) accredited providers for person with Mental Retardation beginning July 1, 2003. This service may be funded through Home and Community Based Waiver Services. (62% Federal Dollars, 38% local dollars)

**2004: HF2134:** An act relating to the medical assistance and state supplementary assistance programs, providing an effective date and providing for retroactive applicability.

- Revised the definition for "Residential Care Facility" so that Home and Community Based Waiver funding for services (Supported Community Living and/or Consumer-Directed Attendant Care (CDAC) could help offset the decreased payment from the State Supplementary Assistance fund.

**HF2537:** An act addressing redesign of the system for services and other support provided for persons with mental illness, mental retardation or other developmental disabilities, or brain injury

- Instructed the Mental Health Developmental Disabilities Commission to:
  - Adopt a multi-year plan for developing and providing the data, cost projections, revenue requirements, and other information needed to support decision making concerning redesign provisions in Division II section (2)(e).



- ❑ Plan, collect and analyze data as necessary to issue cost estimates for core services to all eligible populations 2(c).
- ❑ Identify revenue sources for core services to all eligible populations 2(a).
- ❑ Propose functional assessment tools and process to be used for establishing eligibility, integrated with chapter 249A eligibility tools and process 2(d).
- ❑ Propose case rates 2(f).
- ❑ Plan implementation of legal residency including 2(g).
- ❑ Establish statewide standard of proof of residency
- ❑ Plan a data system for identifying residency of eligible individuals
- ❑ Plan how individuals in county by court order of criminal sentence will become county resident (presumably upon leaving court supervision)
- ❑ Plan contested residency dispute resolution
- ❑ Address other implementation issues

2005:

- Day Habilitation Services and Day Care Services were added to the Home and Community Based Waiver for Persons with Mental Retardation on July 1, 2004

2006: **HF2780:** An act relating to person with mental illness, mental retardation, developmental disabilities, or brain injury by addressing the purposes and quality standards for services and other support available for such persons, establishing basic financial eligibility standards, addressing state and county financial responsibility for the cost of the services and other support, changing the name of the departmental division, providing for an increase in the reimbursement of certain service providers, and providing effective and applicability dates.

- **MHDD Adults – (In no particular order) the Iowa Legislature:**
  - ❑ Authorized the re-establishment of a Division of Mental Health and Developmental Disability Services within DHS
  - ❑ Provided additional funding to strengthen our work and relationships with Iowa public universities so that we can fully take advantage of the latest evidence-based research affecting these populations
  - ❑ Approved a 3% rate increase for Medicaid providers effective July 2006.
  - ❑ Provided funds for Brain-Injured residents of the State of Iowa
  - ❑ Funded additional psychiatric training for Advanced Nurse Practitioners and Physician Assistants at Cherokee MHI and the University of Iowa
  - ❑ Increased Medicaid reimbursement to community mental health centers, psychiatrists, and community hospital inpatient psychiatric units.
  - ❑ Provided funds that will allow Clarinda Mental Health Institute and Mt. Pleasant Mental Health Institute to begin to meet the national accreditation standards of the Joint Commission on Accreditation of Health Organizations (JCAHO)
  - ❑ Approved the transfer of State Payment program cases to the county of residence of those individuals as a first step toward eliminating legal settlement, and provide additional funding to assure that State Payment program cases are properly funded

- ❑ Authorized and funded 20 new beds at Mt. Pleasant Mental Health Institute for individuals with dual diagnoses (needing drug/alcohol treatment and mental health treatment)
- **MHDD Children - (In no particular order) the Iowa Legislature:**
  - ❑ Authorized and funded PALS (Preparation for Adult Living Services) program that targets young people in DHS custody that turn 18 or 19 years of age and “age out” of the foster care system. Beginning July 1, 2006, these young people will have the opportunity to receive Medicaid until they are 21 years of age and will, with an approved plan, be given the opportunity for ongoing help as they move into the workforce or continue their education.
  - ❑ Approved and funded twelve new clinical consultant supervisors for DHS field workers that work in the child welfare/child abuse and neglect system
  - ❑ Approved a rate increase for child care providers that participate in the DHS Child Care Assistance program
  - ❑ Provided funding for improving the quality of preschool and early childhood programs

**Hf2734:** An act relating to and making appropriations to the Department of Human Services.

- Increases Growth Allocations to counties by \$3.1 million above the 2005 standings bill appropriations.